



STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

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MEMORANDUM

TO: Philip E. Stutzman, Director of Compliance

FROM: Vicki Rippie, Executive Director

DATE: September 12, 2006

SUBJECT: Complaint Against Kenneth Berger, Chad Minnick, Michael Donow,
and the 2003 Campaigns of Chad Minnick and Tom Layson

RCW 42.17.120 prohibits any contribution to be made, and any expenditure to be incurred, directly or indirectly, in a fictitious name, anonymously, or by one person through an agent, relative, or other person in such a manner as to conceal the identity of the source of the contribution or in any other manner so as to effect concealment.

RCW 42.17.740(1), as implemented by WAC 390-05-400, prohibits a person from making a contribution of more than sixty dollars, other than an in-kind contribution, except by a written instrument containing the name of the donor and the payee.

RCW 42.17.060(5) prohibits a candidate from accepting a contribution of more than fifty dollars in currency unless a receipt, signed by the contributor and by the candidate, treasurer, or deputy treasurer, is prepared and made a part of the campaign's financial records.

Summary:

On May 25, 2006, the Public Disclosure Commission received information indicating that possible concealed contribution activity took place in the 2003 Monroe City Council campaign. The information came in the form of a letter from Michael Donow written to a candidate in the 2003 campaign, in which Mr. Donow admitted taking part in the alleged concealment.



Mr. Donow alleged that Monroe City Council candidate Chad Minnick accepted concealed contributions for his 2003 city council campaign. Mr. Minnick ran against council member Marc Mechling, and Tom Layson ran against council member Tony Balk. Mr. Minnick defeated Mr. Mechling while Mr. Balk retained his seat by defeating Mr. Layson.

Mr. Donow stated that he gave an unknown amount of cash to Chad Minnick on August 25, 2003 during a "meet-and-greet" event hosted by Bob Holman at Holman's residence. Mr. Donow said he did not give any money to Mr. Layson. Mr. Holman was the Mayor of Monroe until 2002. Mr. Donow said the cash he passed on to Mr. Minnick was given to him at the "meet-and-greet" by Ken Berger, an incumbent Monroe City Council member who was not up for election at that time, with the understanding that it was to be passed on to Mr. Minnick.

Mr. Donow said he had previously agreed with Bob Holman to be listed as a false contributor in the campaigns against Mr. Mechling and Mr. Balk, but did not know how much money would be attributed to him. He said his understanding with Mr. Holman became a reality at the August 25, 2003 "meet-and-greet" event when Mr. Berger gave him an envelope with cash in it. He said he later found out that both Mr. Minnick and Mr. Layson listed him on their respective C-3 reports as contributing \$150 to each of their campaigns. He said neither campaign asked him to sign a receipt attesting that he had made a contribution in cash of \$150 to their respective campaign. Mr. Donow said he provided his name and address and occupation to Mr. Minnick at the "meet-and-greet" but did not provide this information to Mr. Layson. Mr. Donow alleged that Mr. Minnick knew the money was not from him. Mr. Donow said he did not know who gave the \$150 to Mr. Layson, and did not provide any evidence that Mr. Layson was involved in concealing the source of the contribution attributed to Mr. Donow.

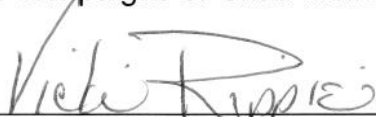
Alleged Violations

These facts indicate that Kenneth Berger, Chad Minnick, and Michael Donow may have violated RCW 42.17.120 by acting in such a manner as to conceal the identity of the source of a \$150 contribution to the 2003 campaign of Chad Minnick for Monroe City Council.


These facts indicate that Kenneth Berger and Michael Donow may have violated RCW 42.17.740(1) by making a monetary contribution of more than sixty dollars to the 2003 campaign of Chad Minnick that was not made by a written instrument containing the name of the donor and the payee.

These facts indicate that the 2003 campaigns of Chad Minnick and Tom Layson may have violated RCW 42.17.060(3) by accepting a contribution of more than fifty dollars in cash (U.S. currency) without making a receipt, signed by the contributor and by the candidate, treasurer, or deputy treasurer, a part of the campaign's financial records.

Based on this information, I am filing this complaint and directing staff to investigate whether Kenneth Berger, Chad Minnick, Michael Donow, and the 2003 campaigns of Chad Minnick and Tom Layson violated chapter 42.17 RCW.



Vicki Rippie, Executive Director



Date